

ASSEMBLY BILL

No. 2293

Introduced by Assembly Member Torres

February 18, 2010

An act to amend Section 50675.1 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2293, as introduced, Torres. Multifamily Housing Program: bond proceeds: construction loans.

Existing law establishes the Emergency Shelter Trust Fund Act of 2006 which authorizes the issuance of bonds in the amount of \$2,850,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds are used to finance, among other programs, the Multifamily Housing Program, which is administered by the Department of Housing and Community Development. Existing law requires that assistance provided to a project pursuant to the program be provided in the form of a deferred payment loan to pay for the specified eligible costs of development.

This bill would require that assistance provided to a project pursuant to the bond act include, but not be limited to, short-term loans used for construction.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 50675.1 of the Health and Safety Code
2 is amended to read:

1 50675.1. (a) This chapter shall be known and may be cited as
2 the Multifamily Housing Program.

3 (b) Assistance provided to a project pursuant to this chapter
4 shall be provided in the form of a deferred payment loan to pay
5 for the eligible costs of development as hereafter described.

6 (c) Except as provided in paragraph (3), on and after January
7 1, 2008, of the total assistance provided under this chapter, the
8 percentage that is awarded for units restricted to senior citizens,
9 as defined in paragraph (1) of subdivision (b) of Section 51.3 of
10 the Civil Code, shall be proportional to the percentage of lower
11 income renter households in the state that are lower income elderly
12 renter households, as reported by the federal Department of
13 Housing and Urban Development on the basis of the most recent
14 decennial census conducted by the United States Census Bureau.

15 (1) The department shall be deemed to have met its obligation
16 under this subdivision if the assistance awarded is not less than 1
17 percent below the proportional share.

18 (2) This subdivision does not require the department to provide
19 loans to projects that fail to meet minimum threshold requirements
20 under subdivision (b) of Section 50675.7.

21 (3) Assistance for projects meeting the definitions in paragraphs
22 (2) and (3) of subdivision (e) of Section 11139.3 of the Government
23 Code and subdivisions (c) and (d) of Section 53260 shall be
24 excluded from the total assistance calculation under this
25 subdivision.

26 (4) The department shall determine the time period over which
27 it will measure compliance with this section, but that period shall
28 not be less than one year or two funding cycles, whichever period
29 is longer.

30 (5) If, at the end of the time period determined by the
31 department, the total amount of funding for which sponsors have
32 submitted qualified applications is lower than the proportional
33 share, the department may award the remaining funds to units that
34 are not restricted to senior citizens.

35 (6) The department's annual report to the Legislature submitted
36 under Section 50408 shall include a breakdown of funding awards
37 between units restricted to senior citizens and units that are not
38 age-restricted.

1 (d) This chapter shall be administered by the department and
2 the department shall establish the terms upon which loans may be
3 made consistent with the provisions of this chapter.

4 (e) *In addition to the other forms of assistance hereafter*
5 *described, assistance provided to a project pursuant to Section*
6 *53545 shall include, but not be limited to, short-term loans used*
7 *for construction.*

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